



General Assembly

February Session, 2012

Raised Bill No. 36

LCO No. 558

00558_____GAE

Referred to Committee on Government Administration and Elections

Introduced by:
(GAE)

AN ACT CONCERNING REVISIONS TO THE STATE CODES OF ETHICS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 1-79 of the 2012 supplement to the general statutes
2 is repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2012*):

4 The following terms, when used in this part, [shall] have the
5 following meanings unless the context otherwise requires:

6 [(a)] (1) "Blind trust" means a trust established by a public official or
7 state employee or member of his immediate family for the purpose of
8 divestiture of all control and knowledge of assets.

9 [(b)] (2) "Business with which he is associated" means any sole
10 proprietorship, partnership, firm, corporation, trust or other entity
11 through which business for profit or not for profit is conducted in
12 which the public official or state employee or member of his
13 immediate family is a director, officer, owner, limited or general
14 partner, beneficiary of a trust or holder of stock constituting five per

15 cent or more of the total outstanding stock of any class, provided, a
16 public official or state employee, or member of his immediate family,
17 shall not be deemed to be associated with a not for profit entity solely
18 by virtue of the fact that the public official or state employee or
19 member of his immediate family is an unpaid director or officer of the
20 not for profit entity. "Officer" refers only to the president, executive or
21 senior vice president or treasurer of such business.

22 [(c)] (3) "Candidate for public office" means any individual who has
23 filed a declaration of candidacy or a petition to appear on the ballot for
24 election as a public official, or who has raised or expended money in
25 furtherance of such candidacy, or who has been nominated for
26 appointment to serve as a public official, but [shall] does not include a
27 candidate for the office of senator or representative in Congress.

28 [(d)] (4) "Board" means the Citizen's Ethics Advisory Board
29 established in section 1-80, as amended by this act.

30 [(e)] (5) "Gift" means anything of value, which is directly and
31 personally received, unless consideration of equal or greater value is
32 given in return. "Gift" [shall] does not include:

33 [(1)] (A) A political contribution otherwise reported as required by
34 law or a donation or payment as described in subdivision (9) or (10) of
35 subsection (b) of section 9-601a;

36 [(2)] (B) Services provided by persons volunteering their time, if
37 provided to aid or promote the success or defeat of any political party,
38 any candidate or candidates for public office or the position of
39 convention delegate or town committee member or any referendum
40 question;

41 [(3)] (C) A commercially reasonable loan made on terms not more
42 favorable than loans made in the ordinary course of business;

43 [(4)] (D) A gift received from [(A)] (i) an individual's spouse, fiance
44 or fiancée, [(B)] (ii) the parent, brother or sister of such spouse or such

45 individual, or [(C)] (iii) the child of such individual or the spouse of
46 such child;

47 [(5)] (E) Goods or services [(A) which] (i) that are provided to a state
48 agency or quasi-public agency [(i)] (I) for use on state or quasi-public
49 agency property, or [(ii)] (II) that support an event or the participation
50 by a public official or state employee at an event, and [(B) which] (ii)
51 that facilitate state or quasi-public agency action or functions. As used
52 in this [subdivision] subparagraph, "state property" means [(i)]
53 property owned by the state or a quasi-public agency, or [(ii)] property
54 leased to a state agency or quasi-public agency;

55 [(6)] (F) A certificate, plaque or other ceremonial award costing less
56 than one hundred dollars;

57 [(7)] (G) A rebate, discount or promotional item available to the
58 general public;

59 [(8)] (H) Printed or recorded informational material germane to
60 state action or functions;

61 [(9)] (I) Food or beverage or both, costing less than fifty dollars in
62 the aggregate per recipient in a calendar year, and consumed on an
63 occasion or occasions at which the person paying, directly or
64 indirectly, for the food or beverage, or his representative, is in
65 attendance;

66 [(10)] (J) Food or beverage or both, costing less than fifty dollars per
67 person and consumed at a publicly noticed legislative reception to
68 which all members of the General Assembly are invited and which is
69 hosted not more than once in any calendar year by a lobbyist or
70 business organization. For the purposes of such limit, [(A)] (i) a
71 reception hosted by a lobbyist who is an individual shall be deemed to
72 have also been hosted by the business organization which he owns or
73 is employed by, and [(B)] (ii) a reception hosted by a business
74 organization shall be deemed to have also been hosted by all owners

75 and employees of the business organization who are lobbyists. In
76 making the calculation for the purposes of such fifty-dollar limit, the
77 donor shall divide the amount spent on food and beverage by the
78 number of persons whom the donor reasonably expects to attend the
79 reception;

80 [(11)] (K) Food or beverage or both, costing less than fifty dollars per
81 person and consumed at a publicly noticed reception to which all
82 members of the General Assembly from a region of the state are
83 invited and which is hosted not more than once in any calendar year
84 by a lobbyist or business organization. For the purposes of such limit,
85 [(A)] (i) a reception hosted by a lobbyist who is an individual shall be
86 deemed to have also been hosted by the business organization which
87 he owns or is employed by, and [(B)] (ii) a reception hosted by a
88 business organization shall be deemed to have also been hosted by all
89 owners and employees of the business organization who are lobbyists.
90 In making the calculation for the purposes of such fifty-dollar limit, the
91 donor shall divide the amount spent on food and beverage by the
92 number of persons whom the donor reasonably expects to attend the
93 reception. As used in this subdivision, "region of the state" means the
94 established geographic service area of the organization hosting the
95 reception;

96 [(12)] (L) A gift, including, but not limited to, food or beverage or
97 both, provided by an individual for the celebration of a major life
98 event, provided any such gift provided by an individual who is not a
99 member of the family of the recipient shall not exceed one thousand
100 dollars in value;

101 [(13)] (M) Gifts costing less than one hundred dollars in the
102 aggregate or food or beverage provided at a hospitality suite at a
103 meeting or conference of an interstate legislative association, by a
104 person who is not a registrant or is not doing business with the state of
105 Connecticut;

106 [(14)] (N) Admission to a charitable or civic event, including food

107 and beverage provided at such event, but excluding lodging or travel
108 expenses, at which a public official or state employee participates in
109 his official capacity, provided such admission is provided by the
110 primary sponsoring entity;

111 [(15)] (O) Anything of value provided by an employer of [(A)] (i) a
112 public official, [(B)] (ii) a state employee, or [(C)] (iii) a spouse of a
113 public official or state employee, to such official, employee or spouse,
114 provided such benefits are customarily and ordinarily provided to
115 others in similar circumstances;

116 [(16)] (P) Anything having a value of not more than ten dollars,
117 provided the aggregate value of all things provided by a donor to a
118 recipient under this subdivision in any calendar year shall not exceed
119 fifty dollars;

120 [(17)] (Q) Training that is provided by a vendor for a product
121 purchased by a state or quasi-public agency which is offered to all
122 customers of such vendor; or

123 [(18)] (R) Travel expenses, lodging, food, beverage and other
124 benefits customarily provided by a prospective employer, when
125 provided to a student at a public institution of higher education whose
126 employment is derived from such student's status as a student at such
127 institution, in connection with bona fide employment discussions.

128 [(f)] (6) "Immediate family" means any spouse, children or
129 dependent relatives who reside in the individual's household.

130 [(g)] (7) "Individual" means a natural person.

131 [(h)] (8) "Member of an advisory board" means any individual [(1)]
132 (A) appointed by a public official as an advisor or consultant or
133 member of a committee, commission or council established to advise,
134 recommend or consult with a public official or branch of government
135 or committee thereof, [(2)] (B) who receives no public funds other than
136 per diem payments or reimbursement for his actual and necessary

137 expenses incurred in the performance of his official duties, and [(3)]
 138 (C) who has no authority to expend any public funds or to exercise the
 139 power of the state.

140 [(i)] (9) "Person" means an individual, sole proprietorship, trust,
 141 corporation, limited liability company, union, association, firm,
 142 partnership, committee, club or other organization or group of
 143 persons.

144 [(j)] (10) "Political contribution" has the same meaning as in section
 145 9-601a except that for purposes of this part, the provisions of
 146 subsection (b) of [that] said section shall not apply.

147 [(k)] (11) "Public official" means any state-wide elected officer, any
 148 member or member-elect of the General Assembly, any person
 149 appointed to any office of the legislative, judicial or executive branch
 150 of state government by the Governor or an appointee of the Governor,
 151 with or without the advice and consent of the General Assembly, any
 152 public member or representative of the teachers' unions or state
 153 employees' unions appointed to the Investment Advisory Council
 154 pursuant to subsection (a) of section 3-13b, any person appointed or
 155 elected by the General Assembly or by any member of either house
 156 thereof, any member or director of a quasi-public agency and the
 157 spouse of the Governor, but shall not include a member of an advisory
 158 board, a judge of any court either elected or appointed or a senator or
 159 representative in Congress.

160 [(l)] (12) "Quasi-public agency" means the Connecticut Development
 161 Authority, Connecticut Innovations, Incorporated, Connecticut Health
 162 and Education Facilities Authority, Connecticut Higher Education
 163 Supplemental Loan Authority, Connecticut Housing Finance
 164 Authority, [Connecticut] State Housing Authority, Connecticut
 165 Resources Recovery Authority, Lower Fairfield County Convention
 166 Center Authority, Capital City Economic Development Authority,
 167 Connecticut Transportation Strategy Board, Connecticut Lottery
 168 Corporation, Connecticut Airport Authority, Health Information

169 Technology Exchange of Connecticut and Connecticut Health
170 Insurance Exchange.

171 [(m)] (13) "State employee" means any employee in the executive,
172 legislative or judicial branch of state government, whether in the
173 classified or unclassified service and whether full or part-time, and any
174 employee of a quasi-public agency, but shall not include a judge of any
175 court, either elected or appointed.

176 [(n)] (14) "Trust" means a trust in which any public official or state
177 employee or member of his immediate family has a present or future
178 interest which exceeds ten per cent of the value of the trust or exceeds
179 fifty thousand dollars, whichever is less, but shall not include blind
180 trusts.

181 [(o)] (15) "Business organization" means a sole proprietorship,
182 corporation, limited liability company, association, firm or partnership,
183 other than a client lobbyist, which is owned by, or employs, one or
184 more individual lobbyists.

185 [(p)] (16) "Client lobbyist" means a [person] lobbyist on behalf of
186 whom lobbying takes place and who makes expenditures for lobbying
187 and in furtherance of lobbying.

188 [(q)] (17) "Necessary expenses" means a public official's or state
189 employee's expenses for an article, appearance or speech or for
190 participation at an event, in his official capacity, which shall be limited
191 to necessary travel expenses, lodging for the nights before, of and after
192 the appearance, speech or event, meals and any related conference or
193 seminar registration fees.

194 [(r)] (18) "Lobbyist" and "registrant" shall be construed as defined in
195 section 1-91, as amended by this act.

196 [(s)] (19) "Legal defense fund" means a fund established for the
197 payment of legal expenses of a public official or state employee
198 incurred as a result of defending himself or herself in an

199 administrative, civil, criminal or constitutional proceeding concerning
200 matters related to the official's or employee's service or employment
201 with the state or a quasi-public agency.

202 [(t)] (20) "State agency" means any office, department, board,
203 council, commission, institution, constituent unit of the state system of
204 higher education, vocational-technical school or other agency in the
205 executive, legislative or judicial branch of state government.

206 Sec. 2. Section 1-84c of the general statutes is repealed and the
207 following is substituted in lieu thereof (*Effective October 1, 2012*):

208 (a) Nothing in this chapter shall prohibit the donation of goods or
209 services, as described in [subdivision (5) of subsection (e)]
210 subparagraph (E) of subdivision (5) of section 1-79, as amended by this
211 act, to a state agency or quasi-public agency, the donation of the use of
212 facilities to facilitate state agency or quasi-public agency action or
213 functions or the donation of real property to a state agency or quasi-
214 public agency. As used in this section, "state agency" and "quasi-public
215 agency" have the same meanings as provided in section 1-79, as
216 amended by this act.

217 (b) The head of the state agency or the quasi-public agency
218 employing the public official or state employee who is to receive a
219 donated good or service to support the participation by such official or
220 employee at an event as described in subparagraph (E) of subdivision
221 (5) of section 1-79, as amended by this act, shall certify to the Office of
222 State Ethics, prior to acceptance of such good or service, on an
223 electronic form prescribed by the board, that such good or service
224 facilitates state action or functions.

225 Sec. 3. Subsection (a) of section 1-80 of the 2012 supplement to the
226 general statutes is repealed and the following is substituted in lieu
227 thereof (*Effective from passage*):

228 (a) There shall be established, within the Office of Governmental

229 Accountability established under section 1-300, an Office of State
230 Ethics. Said office shall consist of an executive director, general
231 counsel, ethics enforcement officer and such other staff as hired by the
232 executive director. Within the Office of State Ethics, there shall be the
233 Citizen's Ethics Advisory Board that shall consist of nine members,
234 appointed as follows: One member shall be appointed by the speaker
235 of the House of Representatives, one member by the president pro
236 tempore of the Senate, one member by the majority leader of the
237 Senate, one member by the minority leader of the Senate, one member
238 by the majority leader of the House of Representatives, one member by
239 the minority leader of the House of Representatives, and three
240 members by the Governor. Members of the board [shall serve for four-
241 year terms which shall commence on October 1, 2005, except that
242 members] first appointed for a term commencing on October 1, 2005,
243 shall have the following terms: The Governor shall appoint two
244 members for a term of three years and one member for a term of four
245 years; the majority leader of the House of Representatives, minority
246 leader of the House of Representatives and the speaker of the House of
247 Representatives shall each appoint one member for a term of two
248 years; and the president pro tempore of the Senate, the majority leader
249 of the Senate and the minority leader of the Senate shall each appoint
250 one member for a term of four years. The term commencing October 1,
251 2009, for the member appointed by the Governor and the member
252 appointed by the president pro tempore of the Senate, shall be five
253 years. Upon the expiration of such members' five-year terms, such
254 members may not be reappointed. Any member appointed on or after
255 October 1, 2014, shall serve for a term of four years. No individual
256 shall be appointed to more than one four-year term as a member of the
257 board. [provided, members] Members may not continue in office once
258 their term has expired and members first appointed may not be
259 reappointed, provided any member may continue to adjudicate at a
260 hearing under subsection (b) of section 1-82 that commenced during
261 such member's term of office. No more than five members shall be
262 members of the same political party. The members appointed by the

majority leader of the Senate and the majority leader of the House of Representatives shall be selected from a list of nominees proposed by a citizen group having an interest in ethical government. The majority leader of the Senate and the majority leader of the House of Representatives shall each determine the citizen group from which each will accept such nominations. One member appointed by the Governor shall be selected from a list of nominees proposed by a citizen group having an interest in ethical government. The Governor shall determine the citizen group from which the Governor will accept such nominations.

Sec. 4. Subsection (b) of section 1-80 of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2012*):

(b) All members shall be electors of the state. No member shall be a state employee. No member or employee of [such] said board shall (1) hold or campaign for any public office; (2) have held public office or have been a candidate for public office for a three-year period prior to appointment; (3) hold office in any political party or political committee or be a member of any organization or association organized primarily for the purpose of influencing legislation or decisions of public agencies; or (4) be an individual who is a registrant as defined in [subsection (q)] subdivision (17) of section 1-91, as amended by this act. For purposes of this subsection, "public office" does not include the offices of justice of the peace or notary public.

Sec. 5. Subsection (d) of section 1-80 of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2012*):

(d) The board shall elect a chairperson who shall, except as provided in subsection (b) of section 1-82 and subsection (b) of section 1-93, preside at meetings of the board and a vice-chairperson to preside in the absence of the chairperson. Six members of the board shall constitute a quorum. Except as provided in subdivision (3) of

295 subsection (a) of section 1-81, as amended by this act, subsections (a)
 296 and (b) of section 1-82, subsection (b) of section 1-88, [subdivision (5)]
 297 subsection (e) of section 1-92, as amended by this act, subsections (a)
 298 and (b) of section 1-93 and subsection (b) of section 1-99, a majority
 299 vote of the members shall be required for action of the board. The
 300 chairperson or any three members may call a meeting.

301 Sec. 6. Subsections (i) to (k), inclusive, of section 1-80 of the 2012
 302 supplement to the general statutes are repealed and the following is
 303 substituted in lieu thereof (*Effective October 1, 2012*):

304 (i) No member or employee of the board or Office of State Ethics
 305 may (1) make a contribution, as defined in section 9-601a, to any
 306 [person] public official, state employee or candidate of public office
 307 subject to the provisions of this part; or (2) participate in the political
 308 campaign of any candidate for public office subject to the provisions of
 309 this part by (A) publicly endorsing or opposing a candidate on behalf
 310 of the political campaign of a candidate for public office; (B)
 311 organizing, selling tickets to, promoting or actively participating in a
 312 fund-raising activity of a candidate, political party or political
 313 committee; (C) directly or indirectly soliciting, receiving, collecting,
 314 handling, disbursing or accounting for contributions or other funds for
 315 the political campaign of any candidate for public office; (D) soliciting
 316 votes in support of or in opposition to a candidate on behalf of the
 317 political campaign of any candidate for public office; and (E) providing
 318 any other compensated or uncompensated services for the political
 319 campaign of any candidate for public office.

320 (j) Members of the board shall recuse themselves from participating
 321 in any proceeding or matter undertaken pursuant to this chapter that
 322 involves the person who appointed such member to the board.

323 (k) No former member of the board may represent any business or
 324 person, other than himself or herself, before the board for a period of
 325 one year following the end of such former member's service on the
 326 board. No business or person that appears before the board shall

327 employ or otherwise engage the services of a former member of the
328 board for a period of one year following the end of such former
329 member's service on the board.

330 Sec. 7. Section 1-81 of the general statutes is repealed and the
331 following is substituted in lieu thereof (*Effective October 1, 2012*):

332 (a) The board and general counsel and staff of the Office of State
333 Ethics shall:

334 (1) Compile and maintain an index of all reports, advisory opinions,
335 informal staff letters, memoranda issued in accordance with subsection
336 (b) of section 1-82 and statements filed by and with the Office of State
337 Ethics to facilitate public access to such reports and advisory opinions,
338 informal staff letters, memoranda statements as provided by this part;

339 (2) Preserve advisory opinions and informal staff letters,
340 permanently; preserve memoranda issued in accordance with
341 subsection (b) of section 1-82 and statements and reports filed by and
342 with the board for a period of five years from the date of receipt;

343 (3) Upon the concurring vote of a majority of the board present and
344 voting, issue advisory opinions with regard to the requirements of this
345 part or part IV of this chapter, upon the request of any person subject
346 to the provisions of this part or part IV of this chapter, and publish
347 such advisory opinions in the Connecticut Law Journal. Advisory
348 opinions rendered by the board, until amended or revoked, shall be
349 binding on the board and shall be deemed to be final decisions of the
350 board for purposes of appeal to the superior court, in accordance with
351 the provisions of section 4-175 or 4-183. Any advisory opinion
352 concerning the person who requested the opinion and who acted in
353 reliance thereon, in good faith, shall be binding upon the board, and it
354 shall be an absolute defense in any criminal action brought under the
355 provisions of this part or part IV of this chapter, that the accused acted
356 in reliance upon such advisory opinion;

357 (4) Respond to inquiries and provide advice regarding the code of
358 ethics either verbally or through informal letters;

359 (5) Provide yearly training to all state employees regarding the code
360 of ethics;

361 (6) Make legislative recommendations to the General Assembly and
362 report annually, [prior to April] not later than February fifteenth, to the
363 Governor summarizing the activities of the [commission;] Office of
364 State Ethics; and

365 (7) Meet not less than once per month with the office's executive
366 director and ethics enforcement officer. [; and]

367 [(8)] (b) The [commission] Office of State Ethics may enter into such
368 contractual agreements as may be necessary for the discharge of its
369 duties, within the limits of its appropriated funds and in accordance
370 with established procedures.

371 [(b)] (c) The Office of State Ethics shall employ an executive director,
372 general counsel and ethics enforcement officer, each of whom shall be
373 exempt from classified state service. The salary for the executive
374 director, general counsel and the ethics enforcement officer shall be
375 determined by the Commissioner of Administrative Services in
376 accordance with accepted personnel practices. No one person may
377 serve in more than one of the positions described in this subsection.
378 The Office of State Ethics may employ necessary staff within available
379 appropriations. Such necessary staff of the Office of State Ethics shall
380 be in classified state service.

381 [(c)] (d) The executive director, described in subsection (b) of this
382 section, shall be appointed by the Citizen's Ethics Advisory Board for
383 an open-ended term. Such appointment shall not be made until all the
384 initial board members appointed to terms commencing on October 1,
385 2005, are appointed by their respective appointing authorities,
386 pursuant to subsection (a) of section 1-80, as amended by this act. The

387 board shall annually evaluate the performance of the executive
388 director, in writing, and may remove the executive director, in
389 accordance with the provisions of chapter 67.

390 [(d)] (e) The general counsel and ethics enforcement officer
391 described in subsection [(b)] (c) of this section, and other staff of the
392 Office of State Ethics shall be appointed by the executive director of the
393 Office of State Ethics. The executive director shall annually evaluate
394 the performance of the general counsel, ethics enforcement officer and
395 such other staff, in writing, and may remove the general counsel or
396 ethics enforcement officer, in accordance with the provisions of
397 chapter 67, or such other staff, in accordance with any applicable
398 collective bargaining agreement.

399 [(e)] (f) There shall be a legal division within the Office of State
400 Ethics. The legal division shall provide the board with legal advice on
401 matters before said board and shall represent the board in all matters
402 in which the board is a party, without the assistance of the Attorney
403 General unless the board requests such assistance. The legal division
404 shall, under the direction of the general counsel, provide information
405 and written and verbal opinions to persons subject to the code and to
406 the general public. The general counsel, described in subsection [(b)]
407 (c) of this section, shall supervise such division. The investigation or
408 instigation of a complaint may not occur solely because of information
409 received by the legal division.

410 [(f)] (g) There shall be an enforcement division within the Office of
411 State Ethics. The enforcement division shall be responsible for
412 investigating complaints brought to or by the board. The ethics
413 enforcement officer, described in subsection [(b)] (c) of this section,
414 shall supervise the enforcement division. The enforcement division
415 shall employ such attorneys and investigators, as necessary, within
416 available appropriations, and may refer matters to the office of the
417 Chief State's Attorney, as appropriate.

418 [(g)] (h) The Citizen's Ethics Advisory Board shall adopt regulations

419 in accordance with chapter 54 to carry out the purposes of this part.
420 Such regulations shall not be deemed to govern the conduct of any
421 judge trial referee in the performance of such judge trial referee's
422 duties pursuant to this chapter.

423 [(h) In] (i) The general counsel shall, in consultation with the
424 executive director of the Office of State Ethics, [the general counsel
425 shall] oversee yearly training of all state personnel in the code of ethics,
426 provide training on the code of ethics to other individuals or entities
427 subject to the code and shall make recommendations as to public
428 education regarding ethics.

429 Sec. 8. Subsection (e) of section 1-82 of the general statutes is
430 repealed and the following is substituted in lieu thereof (*Effective from*
431 *passage*):

432 (e) No person shall take or threaten to take official action against an
433 individual for such individual's disclosure of information to the board
434 or the general counsel, ethics enforcement officer or staff of the Office
435 of State Ethics under the provisions of this part or section 1-101nn.
436 After receipt of information from an individual under the provisions of
437 this part or section 1-101nn, the Office of State Ethics shall not disclose
438 the identity of such individual without such individual's consent
439 unless the Office of State Ethics determines that such disclosure is
440 unavoidable during the course of an investigation. No person shall be
441 subject to civil liability for any good faith disclosure that such person
442 makes to the [commission] Office of State Ethics.

443 Sec. 9. Subsection (a) of section 1-83 of the 2012 supplement to the
444 general statutes is repealed and the following is substituted in lieu
445 thereof (*Effective from passage*):

446 (a) (1) All state-wide elected officers, members of the General
447 Assembly, department heads and their deputies, members of the
448 Gaming Policy Board, members or directors of each quasi-public
449 agency, members of the Investment Advisory Council, state marshals

450 and such members of the Executive Department and such employees
 451 of quasi-public agencies as the Governor shall require, shall file, under
 452 penalty of false statement, a statement of financial interests for the
 453 preceding calendar year with the Office of State Ethics on or before
 454 [the] May first next in any year in which they hold such [a] an office or
 455 position. If, in any year, May first falls on a weekend or legal holiday,
 456 such statement shall be filed not later than the next business day. Any
 457 such individual who leaves his or her office or position shall file a
 458 statement of financial interests covering that portion of the year during
 459 which such individual held his or her office or position. The Office of
 460 State Ethics shall notify such individuals of the requirements of this
 461 subsection not later than thirty days after their departure from such
 462 office or position. Such individuals shall file such statement [within]
 463 not later than sixty days after receipt of the notification.

464 (2) Each state agency, department, board and commission shall
 465 develop and implement, in cooperation with the Office of State Ethics,
 466 an ethics statement as it relates to the mission of the agency,
 467 department, board or commission. The executive head of each such
 468 agency, department, board or commission shall be directly responsible
 469 for the development and enforcement of such ethics statement and
 470 shall file a copy of such ethics statement with the Department of
 471 Administrative Services and the Office of State Ethics.

472 Sec. 10. Subsection (j) of section 1-84 of the 2012 supplement to the
 473 general statutes is repealed and the following is substituted in lieu
 474 thereof (*Effective October 1, 2012*):

475 (j) No public official, state employee or candidate for public office,
 476 or a member of any such person's staff or immediate family shall
 477 knowingly accept any gift, as defined in [subsection (e) of] subdivision
 478 (5) of section 1-79, as amended by this act, from a person known to be a
 479 registrant or anyone known to be acting on behalf of a registrant.

480 Sec. 11. Subsection (m) of section 1-84 of the 2012 supplement to the
 481 general statutes is repealed and the following is substituted in lieu

thereof (*Effective October 1, 2012*):

(m) No public official or state employee shall knowingly accept, directly or indirectly, any gift, as defined in [subsection (e) of subdivision (5) of section 1-79, as amended by this act, from any person the public official or state employee knows or has reason to know: (1) Is doing business with or seeking to do business with the department or agency in which the public official or state employee is employed; (2) is engaged in activities which are directly regulated by such department or agency; or (3) is prequalified under section 4a-100. No person shall knowingly give, directly or indirectly, any gift or gifts in violation of this provision. For the purposes of this subsection, the exclusion to the term "gift" in [subdivision (12) of subsection (e)] subparagraph (L) of subdivision (5) of section 1-79, as amended by this act, for a gift for the celebration of a major life event shall not apply. Any person prohibited from making a gift under this subsection shall report to the Office of State Ethics any solicitation of a gift from such person by a state employee or public official.

Sec. 12. Subsection (q) of section 1-84m of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2012*):

(q) No public official or state employee shall knowingly counsel, authorize or otherwise sanction action that violates any provision of this part.

Sec. 13. Subsection (d) of section 1-88 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2012*):

(d) Any person who knowingly acts in such person's financial interest in violation of section 1-84, as amended by this act 1-85, 1-86, [or] 1-86d, 1-86e or 1-101nn or any person who knowingly receives a financial advantage resulting from a violation of any of said sections shall be liable for damages in the amount of such advantage. If the

513 board determines that any person may be so liable, it shall
514 immediately inform the Attorney General of that possibility.

515 Sec. 14. Section 1-91 of the general statutes is repealed and the
516 following is substituted in lieu thereof (*Effective October 1, 2012*):

517 When used in this part, unless the context otherwise requires:

518 [(a)] (1) "Administrative action" means any action or nonaction of
519 any executive agency of the state with respect to the proposal, drafting,
520 development, consideration, amendment, adoption or repeal of any
521 rule, regulation or utility rate, and any action or nonaction of any
522 executive agency or quasi-public agency, as defined in section 1-79, as
523 amended by this act, regarding a contract, grant, award, purchasing
524 agreement, loan, bond, certificate, license, permit or any other matter
525 which is within the official jurisdiction or cognizance of such an
526 agency.

527 [(b)] (2) "Candidate for public office" means any person who has
528 filed a declaration of candidacy or a petition to appear on the ballot for
529 election as a public official, or who has raised or expended money in
530 furtherance of such candidacy, or who has been nominated for
531 appointment to serve as a public official; but [shall] does not include a
532 candidate for the office of senator or representative in Congress.

533 [(c)] (3) "Board" means the Citizen's Ethics Advisory Board
534 established under section 1-80, as amended by this act.

535 [(d)] (4) "Compensation" means any value received or to be received
536 by a person acting as a lobbyist, whether in the form of a fee, salary or
537 forbearance.

538 [(e)] (5) "Executive agency" means a commission, board, agency, or
539 other body or official in the executive branch of the state government
540 and any independent body of the state government that is not a part of
541 the legislative or judicial branch.

542 [(f)] (6) "Expenditure" means any advance, conveyance, deposit,
 543 distribution, transfer of funds, loan, payment, unless expressly
 544 excluded; any payments for telephone, mailing, postage, printing and
 545 other clerical or office services and materials; any paid
 546 communications, costing fifty dollars or more in any calendar year,
 547 disseminated by means of any printing, broadcasting or other
 548 medium, provided such communications refer to pending
 549 administrative or legislative action; any contract, agreement, promise
 550 or other obligation; any solicitation or solicitations, costing fifty dollars
 551 or more in the aggregate for any calendar year, of other persons to
 552 communicate with a public official or state employee for the purpose
 553 of influencing any legislative or administrative act and any pledge,
 554 subscription of money or anything of value. "Expenditure" [shall] does
 555 not include the payment of a registrant's fee pursuant to section 1-95,
 556 as amended by this act, any expenditure made by any club, committee,
 557 partnership, organization, business, union, association or corporation
 558 for the purpose of publishing a newsletter or other release to its
 559 members, shareholders or employees, or contributions, membership
 560 dues or other fees paid to associations, nonstock corporations or tax-
 561 exempt organizations under Section 501(c) of the Internal Revenue
 562 Code of 1986, or any subsequent corresponding internal revenue code
 563 of the United States, as from time to time amended.

564 [(g)] (7) "Gift" means anything of value, which is directly and
 565 personally received, unless consideration of equal or greater value is
 566 given in return. "Gift" [shall] does not include:

567 [(1)] (A) A political contribution otherwise reported as required by
 568 law or a donation or payment described in subdivision (9) or (10) of
 569 subsection (b) of section 9-601a;

570 [(2)] (B) Services provided by persons volunteering their time, if
 571 provided to aid or promote the success or defeat of any political party,
 572 any candidate or candidates for public office or the position of
 573 convention delegate or town committee member or any referendum

574 question;

575 [(3)] (C) A commercially reasonable loan made on terms not more
576 favorable than loans made in the ordinary course of business;

577 [(4)] (D) A gift received from [(A)] (i) the individual's spouse, fiancé
578 or fiancée, [(B)] (ii) the parent, brother or sister of such spouse or such
579 individual, or [(C)] (iii) the child of such individual or the spouse of
580 such child;

581 [(5)] (E) Goods or services [(A) which] (i) that are provided to a state
582 agency or quasi-public agency [(i)] (I) for use on state or quasi-public
583 agency property, or [(ii)] (II) that support an event, and [(B) which] (ii)
584 that facilitate state or quasi-public agency action or functions. As used
585 in this [subdivision] subparagraph, "state property" means [(i)]
586 property owned by the state or a quasi-public agency, or [(ii)] property
587 leased to a state or quasi-public agency;

588 [(6)] (F) A certificate, plaque or other ceremonial award costing less
589 than one hundred dollars;

590 [(7)] (G) A rebate, discount or promotional item available to the
591 general public;

592 [(8)] (H) Printed or recorded informational material germane to
593 state action or functions;

594 [(9)] (I) Food or beverage or both, costing less than fifty dollars in
595 the aggregate per recipient in a calendar year, and consumed on an
596 occasion or occasions at which the person paying, directly or
597 indirectly, for the food or beverage, or his representative, is in
598 attendance;

599 [(10)] (J) Food or beverage or both, costing less than fifty dollars per
600 person and consumed at a publicly noticed legislative reception to
601 which all members of the General Assembly are invited and which is
602 hosted not more than once in any calendar year by a lobbyist or

603 business organization. For the purposes of such limit, [(A)] (i) a
 604 reception hosted by a lobbyist who is an individual shall be deemed to
 605 have also been hosted by the business organization which he owns or
 606 is employed by, and [(B)] (ii) a reception hosted by a business
 607 organization shall be deemed to have also been hosted by all owners
 608 and employees of the business organization who are lobbyists. In
 609 making the calculation for the purposes of such fifty-dollar limit, the
 610 donor shall divide the amount spent on food and beverage by the
 611 number of persons whom the donor reasonably expects to attend the
 612 reception;

613 [(11)] (K) Food or beverage or both, costing less than fifty dollars per
 614 person and consumed at a publicly noticed reception to which all
 615 members of the General Assembly from a region of the state are
 616 invited and which is hosted not more than once in any calendar year
 617 by a lobbyist or business organization. For the purposes of such limit,
 618 [(A)] (i) a reception hosted by a lobbyist who is an individual shall be
 619 deemed to have also been hosted by the business organization which
 620 he owns or is employed by, and [(B)] (ii) a reception hosted by a
 621 business organization shall be deemed to have also been hosted by all
 622 owners and employees of the business organization who are lobbyists.
 623 In making the calculation for the purposes of such fifty-dollar limit, the
 624 donor shall divide the amount spent on food and beverage by the
 625 number of persons whom the donor reasonably expects to attend the
 626 reception. As used in this [subdivision] subparagraph, "region of the
 627 state" means the established geographic service area of the
 628 organization hosting the reception;

629 [(12)] (L) A gift, including, but not limited to, food or beverage or
 630 both, provided by an individual for the celebration of a major life
 631 event, provided any such gift provided by an individual who is not a
 632 member of the family of the recipient [shall] does not exceed one
 633 thousand dollars in value;

634 [(13)] (M) Gifts costing less than one hundred dollars in the

635 aggregate or food or beverage provided at a hospitality suite at a
636 meeting or conference of an interstate legislative association, by a
637 person who is not a registrant or is not doing business with the state of
638 Connecticut;

639 [(14)] (N) Admission to a charitable or civic event, including food
640 and beverage provided at such event, but excluding lodging or travel
641 expenses, at which a public official or state employee participates in
642 his or her official capacity, provided such admission is provided by the
643 primary sponsoring entity;

644 [(15)] (O) Anything of value provided by an employer of [(A)] (i) a
645 public official, [(B)] (ii) a state employee, or [(C)] (iii) a spouse of a
646 public official or state employee, to such official, employee or spouse,
647 provided such benefits are customarily and ordinarily provided to
648 others in similar circumstances;

649 [(16)] (P) Anything having a value of not more than ten dollars,
650 provided the aggregate value of all things provided by a donor to a
651 recipient under this subdivision in any calendar year [shall] does not
652 exceed fifty dollars; or

653 [(17)] (Q) Training that is provided by a vendor for a product
654 purchased by a state or quasi-public agency which is offered to all
655 customers of such vendor.

656 [(h)] (8) "Immediate family" means any spouse, dependent children
657 or dependent relatives who reside in the individual's household.

658 [(i)] (9) "Individual" means a natural person.

659 [(j)] (10) "Legislative action" means introduction, sponsorship,
660 consideration, debate, amendment, passage, defeat, approval, veto,
661 overriding of a veto or any other official action or nonaction with
662 regard to any bill, resolution, amendment, nomination, appointment,
663 report, or any other matter pending or proposed in a committee or in
664 either house of the legislature, or any matter which is within the

665 official jurisdiction or cognizance of the legislature.

666 [(k)] (11) "Lobbying" means communicating directly or soliciting
 667 others to communicate with any official or his staff in the legislative or
 668 executive branch of government or in a quasi-public agency, for the
 669 purpose of influencing any legislative or administrative action except
 670 that the term "lobbying" does not include [(1)] (A) communications by
 671 or on behalf of a party to, or an intervenor in, a contested case, as
 672 described in regulations adopted by the [commission] Office of State
 673 Ethics in accordance with the provisions of chapter 54, before an
 674 executive agency or a quasi-public agency, as defined in section 1-79,
 675 as amended by this act, [(2)] (B) communications by a representative of
 676 a vendor or by an employee of the registered client lobbyist which
 677 representative or employee acts as a salesperson and does not
 678 otherwise engage in lobbying regarding any administrative action,
 679 [(3)] (C) communications by an attorney made while engaging in the
 680 practice of law and regarding any matter other than legislative action
 681 as defined in [subsection (j)] subdivision (10) of this section or the
 682 proposal, drafting, development, consideration, amendment, adoption
 683 or repeal of any rule or regulation, or [(4)] (D) other communications
 684 exempted by regulations adopted by the [commission] Office of State
 685 Ethics in accordance with the provisions of chapter 54.

686 [(l)] (12) "Lobbyist" means a person who in lobbying and in
 687 furtherance of lobbying makes or agrees to make expenditures, or
 688 receives or agrees to receive compensation, reimbursement, or both,
 689 and such compensation, reimbursement or expenditures are [two]
 690 three thousand dollars or more in any calendar year or the combined
 691 amount thereof is [two] three thousand dollars or more in any such
 692 calendar year. [Lobbyist shall] "Lobbyist" does not include:

693 [(1)] (A) A public official, employee of a branch of state government
 694 or a subdivision thereof, or elected or appointed official of a
 695 municipality or his or her designee other than an independent
 696 contractor, who is acting within the scope of his or her authority or

697 employment;

698 [(2)] (B) A publisher, owner or an employee of the press, radio or
699 television while disseminating news or editorial comment to the
700 general public in the ordinary course of business;

701 [(3)] (C) An individual representing himself or herself or another
702 person before the legislature or a state agency other than for the
703 purpose of influencing legislative or administrative action;

704 [(4)] (D) Any individual or employee who receives no compensation
705 or reimbursement specifically for lobbying and who limits his or her
706 activities solely to formal appearances to give testimony before public
707 sessions of committees of the General Assembly or public hearings of
708 state agencies and who, if he or she testifies, registers his or her
709 appearance in the records of such committees or agencies;

710 [(5)] (E) A member of an advisory board acting within the scope of
711 his or her appointment;

712 [(6)] (F) A senator or representative in Congress acting within the
713 scope of his or her office;

714 [(7)] (G) Any person who receives no compensation or
715 reimbursement specifically for lobbying and who spends no more than
716 five hours in furtherance of lobbying unless such person [(A)] (i)
717 exclusive of salary, receives compensation or makes expenditures, or
718 both, of [two] three thousand dollars or more in any calendar year for
719 lobbying or the combined amount thereof is [two] three thousand
720 dollars or more in any such calendar year, or [(B)] (ii) expends fifty
721 dollars or more for the benefit of a public official in the legislative or
722 executive branch, a member of his or her staff or immediate family;

723 [(8)] (H) A communicator lobbyist who receives or agrees to receive
724 compensation, reimbursement, or both, the aggregate amount of which
725 is less than [two] three thousand dollars from each client in any
726 calendar year.

727 [(m)] (13) "Member of an advisory board" means any person
728 appointed by a public official as an advisor or consultant or member of
729 a committee, commission or council established to advise, recommend
730 or consult with a public official or branch of government or committee
731 thereof and who receives no public funds other than per diem
732 payments or reimbursement for his or her actual and necessary
733 expenses incurred in the performance of his or her official duties and
734 who has no authority to expend any public funds or to exercise the
735 power of the state.

736 [(n)] (14) "Person" means an individual, a business, corporation,
737 limited liability company, union, association, firm, partnership,
738 committee, club or other organization or group of persons.

739 [(o)] (15) "Political contribution" has the same meaning as in section
740 9-601a except that for purposes of this part, the provisions of
741 subsection (b) of [that] said section shall not apply.

742 [(p)] (16) "Public official" means any state-wide elected state officer,
743 any member or member-elect of the General Assembly, any person
744 appointed to any office of the legislative, judicial or executive branch
745 of state government by the Governor, with or without the advice and
746 consent of the General Assembly, the spouse of the Governor and any
747 person appointed or elected by the General Assembly or any member
748 of either house thereof; but [shall] does not include a member of an
749 advisory board or a senator or representative in Congress.

750 [(q)] (17) "Registrant" means a person who is required to register
751 pursuant to section 1-94, as amended by this act.

752 [(r)] (18) "Reimbursement" means any money or thing of value
753 received or to be received in the form of payment for expenses as a
754 lobbyist, not including compensation.

755 [(s)] (19) "State employee" means any employee in the executive,
756 judicial or legislative branch of state government, whether in the

757 classified or unclassified service and whether full or part-time.

758 [(t)] (20) "Business organization" means a sole proprietorship,
759 corporation, limited liability company, association, firm or partnership,
760 other than a client lobbyist, [which] that is owned by, or employs one
761 or more individual lobbyists.

762 [(u)] (21) "Client lobbyist" means a lobbyist on behalf of whom
763 lobbying takes place and who makes expenditures for lobbying and in
764 furtherance of lobbying.

765 [(v)] (22) "Communicator lobbyist" means a lobbyist who
766 communicates directly or solicits others to communicate with an
767 official or [his] the official's staff in the legislative or executive branch
768 of government or in a quasi-public agency for the purpose of
769 influencing legislative or administrative action.

770 [(w)] (23) "State agency" means any office, department, board,
771 council, commission, institution, constituent unit of the state system of
772 higher education, vocational-technical school or other agency in the
773 executive, legislative or judicial branch of state government.

774 [(x)] (24) "Quasi-public agency" means quasi-public agency, as
775 defined in section 1-79, as amended by this act.

776 Sec. 15. Subsection (a) of section 1-92 of the general statutes is
777 repealed and the following is substituted in lieu thereof (*Effective*
778 *October 1, 2012*):

779 (a) The Citizen's Ethics Advisory Board shall adopt regulations, in
780 accordance with chapter 54, to carry out the purposes of this part. Such
781 regulations shall not be deemed to govern the conduct of any judge
782 trial referee in the performance of such judge trial referee's duties
783 pursuant to this chapter. Not later than January 1, 1992, the board shall
784 adopt regulations which further clarify the meaning of the terms
785 "directly and personally received" and "major life event", as used in
786 [subsection (e)] subdivision (5) of section 1-79, as amended by this act,

787 and [subsection (g)] subdivision (7) of section 1-91, as amended by this
 788 act.

789 Sec. 16. Subsection (e) of section 1-92 of the general statutes is
 790 repealed and the following is substituted in lieu thereof (*Effective*
 791 *October 1, 2012*):

792 (e) Upon the concurring vote of a majority of its members present
 793 and voting, the board shall issue advisory opinions with regard to the
 794 requirements of this part or part III of this chapter, upon the request of
 795 any person, subject to the provisions of this part or part III of this
 796 chapter, and publish such advisory opinions in the Connecticut Law
 797 Journal. Advisory opinions rendered by the board, until amended or
 798 revoked, shall be binding on the board and shall be deemed to be final
 799 decisions of the board for purposes of appeal to the superior court, in
 800 accordance with the provisions of section 4-175 or 4-183. Any advisory
 801 opinion concerning any person subject to the provisions of this part or
 802 part III of this chapter who requested the opinion and who acted in
 803 reliance thereon, in good faith, shall be binding upon the board, and it
 804 shall be an absolute defense in any criminal action brought under the
 805 provisions of this part that the accused acted in reliance upon such
 806 advisory opinion.

807 Sec. 17. Section 1-94 of the general statutes is repealed and the
 808 following is substituted in lieu thereof (*Effective October 1, 2012*):

809 A lobbyist shall register with the Office of State Ethics pursuant to
 810 this part if it or he:

811 (1) Receives or agrees to receive compensation or reimbursement for
 812 actual expenses, or both, in a combined amount of [two] three
 813 thousand dollars or more in a calendar year for lobbying, whether that
 814 receipt of compensation or reimbursement or agreement to receive
 815 such compensation or reimbursement is solely for lobbying or the
 816 lobbying is incidental to [that] such person's regular employment; or

817 (2) Makes or incurs an obligation to make expenditures of [two]
818 three thousand dollars or more in a calendar year for lobbying.

819 Sec. 18. Subsection (a) of section 1-95 of the general statutes is
820 repealed and the following is substituted in lieu thereof (*Effective*
821 *October 1, 2012*):

822 (a) Each registrant shall file every two years with the Office of State
823 Ethics on a registration form signed under penalty of false statement
824 on or before January fifteenth of odd-numbered years or prior to the
825 commencement of lobbying, whichever is later. If the registrant is not
826 an individual, an authorized officer or agent of the registrant shall sign
827 the form. Such registration shall be on a form prescribed by the board
828 and shall include:

829 (1) If the registrant is an individual, the registrant's name,
830 permanent address and temporary address while lobbying and the
831 name, address and nature of business of any person who compensates
832 or reimburses, or agrees to compensate or reimburse the registrant and
833 the terms of the compensation, reimbursement or agreement, but shall
834 not include the compensation paid to an employee for his involvement
835 in activities other than lobbying;

836 (2) If the registrant is a corporation, the name, address, place of
837 incorporation and the principal place of business of the corporation;

838 (3) If the registrant is an association, group of persons or an
839 organization, the name and address of the principal officers and
840 directors of such association, group of persons or organization. If the
841 registrant is formed primarily for the purpose of lobbying, it shall
842 disclose the name and address of any person contributing [two] three
843 thousand dollars or more to the registrant's lobbying activities in any
844 calendar year;

845 (4) If the registrant is not an individual, the name and address of
846 each individual who will lobby on the registrant's behalf; and

847 (5) The identification, with reasonable particularity, of areas of
848 legislative or administrative action on which the registrant expects to
849 lobby, including the names of executive agencies and quasi-public
850 agencies and, where applicable, solicitations for state contracts and
851 procurements.

852 Sec. 19. Subsection (e) of section 1-96 of the general statutes is
853 repealed and the following is substituted in lieu thereof (*Effective*
854 *October 1, 2012*):

855 (e) Each client lobbyist registrant financial report shall be on a form
856 prescribed by the board and shall state expenditures made and the
857 fundamental terms of contracts, agreements or promises to pay
858 compensation or reimbursement or to make expenditures in
859 furtherance of lobbying. Any such fundamental terms shall be
860 reported once in the monthly, quarterly or post-termination report
861 next following the entering into of such contract. Such financial report
862 shall include an itemized statement of each expenditure of ten dollars
863 or more per person for each occasion made by the reporting registrant
864 or a group of registrants which includes the reporting registrant for the
865 benefit of a public official in the legislative or executive branch, a
866 member of his staff or immediate family, itemized by date, beneficiary,
867 amount and circumstances of the transaction. The requirement of an
868 itemized statement shall not apply to an expenditure made by a
869 reporting registrant or a group of registrants which includes the
870 reporting registrant for (1) the benefit of the members of the General
871 Assembly at an event that is a reception to which all such members are
872 invited or all members of a region of the state, as such term is used in
873 [subdivision (11) of subsection (g)] subparagraph (K) of subdivision (7)
874 of section 1-91, as amended by this act, are invited, unless the
875 expenditure is thirty dollars or more per person, or (2) benefits
876 personally and directly received by a public official or state employee
877 at a charitable or civic event at which the public official or state
878 employee participates in his official capacity, unless the expenditure is
879 thirty dollars or more per person, per event. If the compensation is

880 required to be reported for an individual whose lobbying is incidental
881 to his regular employment, it shall be sufficient to report a prorated
882 amount based on the value of the time devoted to lobbying. On the
883 first financial report following registration each client lobbyist
884 registrant shall include any expenditures incident to lobbying activities
885 [which] that were received or expended prior to registration and not
886 previously reported to the Office of State Ethics.

887 Sec. 20. Subsection (a) of section 1-97 of the general statutes is
888 repealed and the following is substituted in lieu thereof (*Effective*
889 *October 1, 2012*):

890 (a) No registrant or anyone acting on behalf of a registrant shall
891 knowingly give a gift, as defined in [subsection (g)] subdivision (7) of
892 section 1-91, as amended by this act, to any state employee, public
893 official, candidate for public office or a member of any such person's
894 staff or immediate family. Nothing in this section shall be construed to
895 permit any activity prohibited under section 53a-147 or 53a-148.

896 Sec. 21. Subsection (a) of section 1-100b of the general statutes is
897 repealed and the following is substituted in lieu thereof (*Effective from*
898 *passage*):

899 (a) The Office of State Ethics, upon a finding that a communicator
900 lobbyist has violated the provisions of subsection [(i)] (h) of section 9-
901 610, may suspend [said] such lobbyist's registration for a period of not
902 more than the remainder of the term of such registration and may
903 prohibit [said] such lobbyist from engaging in the profession of
904 lobbyist for a period of not more than three years.

905 Sec. 22. Subsection (c) of section 1-100b of the general statutes is
906 repealed and the following is substituted in lieu thereof (*Effective from*
907 *passage*):

908 (c) The Office of State Ethics shall make any finding under
909 subsection (a) or (b) of this section in accordance with the same

910 procedure set forth in section 1-93 for a finding by the [commission]
911 board of a violation of part II of chapter 10.

912 Sec. 23. Section 2-16a of the general statutes is repealed and the
913 following is substituted in lieu thereof (*Effective October 1, 2012*):

914 No state representative or state senator who is elected at the 1994
915 state election or any election thereafter shall engage in the profession
916 of lobbyist, as that term is defined in [subsection (l)] subdivision (12) of
917 section 1-91, as amended by this act, until one year after the expiration
918 of the term for which such state representative or state senator was
919 elected.

920 Sec. 24. Subsection (b) of section 3-13l of the general statutes is
921 repealed and the following is substituted in lieu thereof (*Effective*
922 *October 1, 2012*):

923 (b) For purposes of this section:

924 (1) "Finder's fee" means compensation in the form of cash, cash
925 equivalents or other things of value paid to or received by a third party
926 in connection with an investment transaction to which the state, any
927 political subdivision of the state or any quasi-public agency, as defined
928 in section 1-120, is a party for any services, and includes, but is not
929 limited to, any fee paid for lobbying, as defined in [subsection (k)]
930 subdivision (11) of section 1-91, as amended by this act, and as defined
931 by the Citizen's Ethics Advisory Board, in consultation with the
932 Treasurer, in the regulations adopted under subparagraph (C)(ii) of
933 subdivision (3) of this subsection or as prescribed by the Treasurer
934 until such regulations are adopted.

935 (2) "Finder's fee" does not mean (A)(i) compensation earned for the
936 rendering of investment services, as defined in subsection (f) of section
937 9-612, or for acting as a licensed real estate broker or real estate sales
938 person under the provisions of section 20-312, or under a comparable
939 statute of the jurisdiction in which the subject property is located, or

940 (ii) marketing fees or due diligence fees earned by the payee in
941 connection with the offer, sale or purchase of any security or
942 investment interest, in accordance with criteria prescribed under
943 subparagraph (C)(ii) of subdivision (3) of this subsection, (B)
944 compensation paid to (i) persons who are investment professionals
945 engaged in the ongoing business of representing investment services
946 providers, or (ii) third parties for services connected to the issuance of
947 debt by the state, any political subdivision of the state or any quasi-
948 public agency, as defined in section 1-120, and (C) any compensation
949 which is so defined by the regulations adopted under subparagraph
950 (C)(ii) of subdivision (3) of this subsection, or any compensation which
951 meets criteria prescribed by the Treasurer until such regulations are
952 adopted. As used in this section, "offer" and "sale" have the meaning
953 provided in section 36b-3.

954 (3) "Investment professional" means an individual or firm whose
955 primary business is bringing together institutional funds and
956 investment opportunities and who (A) is a broker-dealer or investment
957 adviser agent licensed or registered (i) under the Connecticut Uniform
958 Securities Act; (ii) in the case of an investment adviser agent, with the
959 Securities and Exchange Commission, in accordance with the
960 Investment Advisors' Act of 1940; or (iii) in the case of a broker-dealer,
961 with the National Association of Securities Dealers in accordance with
962 the Securities Exchange Act of 1934, or (B) is licensed under section 20-
963 312, or under a comparable statute of the jurisdiction in which the
964 subject property is located, or (C) (i) furnishes an investment manager
965 with marketing services including, but not limited to, developing an
966 overall marketing strategy focusing on more than one institutional
967 fund, designing or publishing marketing brochures or other
968 presentation material such as logos and brands for investment
969 products, responding to requests for proposals, completing due
970 diligence questionnaires, identifying a range of potential investors, or
971 such other services as may be identified in regulations adopted under
972 clause (ii) of this subparagraph; and (ii) meets criteria prescribed (I) by
973 the Treasurer until regulations are adopted under this subparagraph,

974 or (II) by the Citizen's Ethics Advisory Board, in consultation with the
 975 Treasurer, in regulations adopted in accordance with the provisions of
 976 chapter 54. Prior to adopting such regulations, the Citizen's Ethics
 977 Advisory Board shall transmit the proposed regulations to the
 978 Treasurer not later than one hundred twenty days before any period
 979 for public comment on such regulations commences and shall consider
 980 any comments or recommendations the Treasurer may have regarding
 981 such regulations. In developing such regulations, the Citizen's Ethics
 982 Advisory Board shall ensure that the state will not be competitively
 983 disadvantaged by such regulations relative to any legitimate financial
 984 market.

985 Sec. 25. Section 4-250 of the general statutes is repealed and the
 986 following is substituted in lieu thereof (*Effective October 1, 2012*):

987 As used in sections 4-250 to 4-252:

988 (1) "Gift" has the same meaning as provided in section 1-79, as
 989 amended by this act, except that the exclusion in [subdivision (12) of
 990 subsection (e)] subparagraph (L) of subdivision (5) of [said] section 1-
 991 79, as amended by this act, for a gift for the celebration of a major life
 992 event shall not apply;

993 (2) "Quasi-public agency", "public official" and "state employee"
 994 have the same meanings as provided in section 1-79, as amended by
 995 this act;

996 (3) "State agency" means any office, department, board, council,
 997 commission, institution or other agency in the executive, legislative or
 998 judicial branch of state government;

999 (4) "Large state contract" means an agreement or a combination or
 1000 series of agreements between a state agency or a quasi-public agency
 1001 and a person, firm or corporation, having a total value of more than
 1002 five hundred thousand dollars in a calendar or fiscal year, for (A) a
 1003 project for the construction, alteration or repair of any public building

1004 or public work, (B) services, including, but not limited to, consulting
1005 and professional services, (C) the procurement of supplies, materials or
1006 equipment, (D) a lease, or (E) a licensing arrangement. The term "large
1007 state contract" [shall] does not include a contract between a state
1008 agency or a quasi-public agency and a political subdivision of the state;

1009 (5) "Principals and key personnel" means officers, directors,
1010 shareholders, members, partners and managerial employees; and

1011 (6) "Participated substantially" means participation that is direct,
1012 extensive and substantive, and not peripheral, clerical or ministerial.

1013 Sec. 26. Subsection (b) of section 4e-34 of the general statutes is
1014 repealed and the following is substituted in lieu thereof (*Effective*
1015 *October 1, 2012*):

1016 (b) Causes for such disqualification shall include the following:

1017 (1) Conviction of, or entry of a plea of guilty or nolo contendere or
1018 admission to, the commission of a criminal offense as an incident to
1019 obtaining or attempting to obtain a public or private contract or
1020 subcontract, or in the performance of such contract or subcontract;

1021 (2) Conviction of, or entry of a plea of guilty or nolo contendere or
1022 admission to, the violation of any state or federal law for
1023 embezzlement, theft, forgery, bribery, falsification or destruction of
1024 records, receiving stolen property or any other offense indicating a
1025 lack of business integrity or business honesty which affects
1026 responsibility as a state contractor;

1027 (3) Conviction of, or entry of a plea of guilty or nolo contendere or
1028 admission to, a violation of any state or federal antitrust, collusion or
1029 conspiracy law arising out of the submission of bids or proposals on a
1030 public or private contract or subcontract;

1031 (4) Accumulation of two or more suspensions pursuant to section
1032 4e-35 within a twenty-four-month period;

1033 (5) A wilful, negligent or reckless failure to perform in accordance
1034 with the terms of one or more contracts or subcontracts, agreements or
1035 transactions with state contracting agencies;

1036 (6) A history of failure to perform or of unsatisfactory performance
1037 on one or more public contracts, agreements or transactions with state
1038 contracting agencies;

1039 (7) A wilful violation of a statutory or regulatory provision or
1040 requirement applicable to a contract, agreement or transaction with
1041 state contracting agencies;

1042 (8) A wilful or egregious violation of the ethical standards set forth
1043 in sections 1-84, as amended by this act, [and] 1-86e and 1-101nn, as
1044 determined by the Citizen's Ethics Advisory Board; or

1045 (9) Any other cause or conduct the board determines to be so
1046 serious and compelling as to affect responsibility as a state contractor,
1047 including, but not limited to:

1048 (A) Disqualification by another state for cause;

1049 (B) The fraudulent or criminal conduct of any officer, director,
1050 shareholder, partner, employee or other individual associated with a
1051 contractor, bidder or proposer of such contractor, bidder or proposer,
1052 provided such conduct occurred in connection with the individual's
1053 performance of duties for or on behalf of such contractor, bidder or
1054 proposer and such contractor, bidder or proposer knew or had reason
1055 to know of such conduct;

1056 (C) The existence of an informal or formal business relationship
1057 with a contractor who has been disqualified from bidding or
1058 proposing on state contracts of any state contracting agency.

1059 Sec. 27. Section 12-557d of the 2012 supplement to the general
1060 statutes is repealed and the following is substituted in lieu thereof
1061 (*Effective October 1, 2012*):

1062 (a) There shall be a Gaming Policy Board within the Department of
1063 Consumer Protection. Said board shall consist of five members
1064 appointed by the Governor with the advice and consent of both houses
1065 of the General Assembly. Not more than three members of said board
1066 in office at any one time shall be members of the same political party.
1067 Members shall serve for a term of four years and the procedure
1068 prescribed by section 4-7 shall apply to such appointments, except that
1069 the Governor shall submit such nominations on or before May first,
1070 and both houses shall confirm or reject the nominations before
1071 adjournment sine die. Members shall receive fifty dollars per day for
1072 each day they are engaged in the business of the board and shall be
1073 reimbursed for necessary expenses incurred in the performance of
1074 their duties. The commissioner shall serve on the board ex officio
1075 without voting rights.

1076 (b) To insure the highest standard of legalized gambling regulation,
1077 at least four of the board members shall have training or experience in
1078 at least one of the following fields: Corporate finance, economics, law,
1079 accounting, law enforcement, computer science or the pari-mutuel
1080 industry. At least two of these fields shall be represented on the board
1081 at any one time.

1082 (c) No board member shall accept any form of employment by a
1083 business organization regulated under this chapter for a period of two
1084 years following the termination of his service as a board member. The
1085 provisions of sections 1-82, as amended by this act, 1-82a and 1-88, as
1086 amended by this act, shall apply to any alleged violation of this
1087 subsection.

1088 (d) No board member shall engage in any oral ex parte
1089 communications with any representative, agent, officer or employee of
1090 any business organization regulated under this chapter concerning any
1091 matter pending or impending before the board.

1092 (e) The members of the board shall not participate actively in
1093 political management and campaigns. Such activity includes holding

1094 office in a political party, political organization or political club,
1095 campaigning for a candidate in a partisan election by making speeches,
1096 writing on behalf of a candidate, soliciting votes in support of or in
1097 opposition to a candidate and making contributions of time and
1098 money to political parties.

1099 (f) The Department of Consumer Protection shall provide staff
1100 support for the board.

1101 Sec. 28. Subsection (d) of section 16-2 of the 2012 supplement to the
1102 general statutes is repealed and the following is substituted in lieu
1103 thereof (*Effective October 1, 2012*):

1104 (d) The directors of the authority shall serve full time and shall
1105 [make full public disclosure of their assets, liabilities and income at the
1106 time of their appointment, and thereafter each member of the authority
1107 shall make such disclosure on or before July thirtieth of each year of
1108 such member's term, and shall file such disclosure with the office of
1109 the Secretary of the State] file a statement of financial interests with the
1110 Office of State Ethics in accordance with section 1-83, as amended by
1111 this act. Each director shall receive annually a salary equal to that
1112 established for management pay plan salary group seventy-five by the
1113 Commissioner of Administrative Services, except that the chairperson
1114 shall receive annually a salary equal to that established for
1115 management pay plan salary group seventy-seven.

1116 Sec. 29. Subsection (a) of section 52-259a of the general statutes is
1117 repealed and the following is substituted in lieu thereof (*Effective from*
1118 *passage*):

1119 (a) Any member of the Division of Criminal Justice or the Division
1120 of Public Defender Services, any employee of the Judicial Department,
1121 acting in the performance of such employee's duties, the Attorney
1122 General, an assistant attorney general, the Consumer Counsel, any
1123 attorney employed by the Office of Consumer Counsel within the
1124 Department of Energy and Environmental Protection, the Department

1125 of Revenue Services, the Commission on Human Rights and
 1126 Opportunities, the Freedom of Information Commission, the Board of
 1127 Labor Relations, the Office of Protection and Advocacy for Persons
 1128 with Disabilities, the Office of the Victim Advocate or the Department
 1129 of Social Services, the Office of State Ethics, or any attorney appointed
 1130 by the court to assist any of them or to act for any of them in a special
 1131 case or cases, while acting in such attorney's official capacity or in the
 1132 capacity for which such attorney was appointed, shall not be required
 1133 to pay the fees specified in sections 52-258, 52-259, and 52-259c,
 1134 subsection (a) of section 52-356a, subsection (a) of section 52-361a,
 1135 section 52-367a, subsection (b) of section 52-367b and subsection (n) of
 1136 section 46b-231.

1137 Sec. 30. Subsection (d) of section 15-120bb of the 2012 supplement to
 1138 the general statutes is repealed and the following is substituted in lieu
 1139 thereof (*Effective from passage*):

1140 (d) The board of directors of the authority shall appoint an executive
 1141 director who shall not be a member of the board and who shall serve at
 1142 the pleasure of the board and receive such compensation as shall be
 1143 fixed by the board. The executive director shall be the chief
 1144 administrative officer of the authority and shall direct and supervise
 1145 administrative affairs and technical activities in accordance with the
 1146 directives of the board. The executive director shall approve all
 1147 accounts for salaries, allowable expenses of the authority or of any
 1148 employee or consultant thereof, and expenses incidental to the
 1149 operation of the authority. The executive director shall perform such
 1150 other duties as may be directed by the board in carrying out the
 1151 purposes of [subsection (l)] subdivision (12) of section 1-79, as
 1152 amended by this act, sections 1-120, 1-124 and 1-125, subsection (f) of
 1153 section 4b-3, sections 13b-4 and 13b-42, subsection (a) of section 13b-44
 1154 and sections 15-101aa and 15-120aa to 15-120oo, inclusive. The
 1155 executive director shall be exempt from the classified service. The
 1156 executive director shall attend all meetings of the board, keep a record
 1157 of the proceedings of the authority and shall maintain and be

1158 custodian of all books, documents and papers filed with the authority
 1159 and of the minute book or journal of the authority and of its official
 1160 seal. The executive director may cause copies to be made of all minutes
 1161 and other records and documents of the authority and may give
 1162 certificates under the official seal of the authority to the effect that such
 1163 copies are true copies, and all persons dealing with the authority may
 1164 rely upon such certificates.

1165 Sec. 31. Subsection (f) of section 15-120ll of the 2012 supplement to
 1166 the general statutes is repealed and the following is substituted in lieu
 1167 thereof (*Effective from passage*):

1168 (f) The Comptroller may establish such funds and accounts for the
 1169 authority as may be requested by the authority or as may be necessary
 1170 or appropriate to effect the terms of any memorandum of
 1171 understanding or as may be convenient to effect the purposes of
 1172 [subsection (l)] subdivision (12) of section 1-79, as amended by this act,
 1173 sections 1-120, 1-124 and 1-125, subsection (f) of section 4b-3, sections
 1174 13b-4 and 13b-42, subsection (a) of section 13b-44 and sections 15-101aa
 1175 and 15-120aa to 15-120oo, inclusive, including, without limitation, a
 1176 fund to support the general aviation airports and a fund for the
 1177 authority's general operations. All revenue from the licensing of state
 1178 airports and use of services of the authority shall be paid into the fund
 1179 established for the authority's general operations, to be used by the
 1180 authority according to the authority's budget for its authorized
 1181 purposes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2012	1-79
Sec. 2	October 1, 2012	1-84c
Sec. 3	from passage	1-80(a)
Sec. 4	October 1, 2012	1-80(b)
Sec. 5	October 1, 2012	1-80(d)
Sec. 6	October 1, 2012	1-80(i) to (k)
Sec. 7	October 1, 2012	1-81

Sec. 8	<i>from passage</i>	1-82(e)
Sec. 9	<i>from passage</i>	1-83(a)
Sec. 10	<i>October 1, 2012</i>	1-84(j)
Sec. 11	<i>October 1, 2012</i>	1-84(m)
Sec. 12	<i>October 1, 2012</i>	1-84m(q)
Sec. 13	<i>October 1, 2012</i>	1-88(d)
Sec. 14	<i>October 1, 2012</i>	1-91
Sec. 15	<i>October 1, 2012</i>	1-92(a)
Sec. 16	<i>October 1, 2012</i>	1-92(e)
Sec. 17	<i>October 1, 2012</i>	1-94
Sec. 18	<i>October 1, 2012</i>	1-95(a)
Sec. 19	<i>October 1, 2012</i>	1-96(e)
Sec. 20	<i>October 1, 2012</i>	1-97(a)
Sec. 21	<i>from passage</i>	1-100b(a)
Sec. 22	<i>from passage</i>	1-100b(c)
Sec. 23	<i>October 1, 2012</i>	2-16a
Sec. 24	<i>October 1, 2012</i>	3-13l(b)
Sec. 25	<i>October 1, 2012</i>	4-250
Sec. 26	<i>October 1, 2012</i>	4e-34(b)
Sec. 27	<i>October 1, 2012</i>	12-557d
Sec. 28	<i>October 1, 2012</i>	16-2(d)
Sec. 29	<i>from passage</i>	52-259a(a)
Sec. 30	<i>from passage</i>	15-120bb(d)
Sec. 31	<i>from passage</i>	15-120ll(f)

Statement of Purpose:

To permit the Office of State Ethics to recover the amount of any financial benefit received by a state contractor for certain violations, to add a violation of section 1-101nn of the general statutes to the list of violations that are grounds for disqualifying a state contractor, to prohibit the staff and members of the Citizen's Ethics Advisory Board and the Office of State Ethics from participating in political campaigns, to give the Office of State Ethics the authority to interpret Parts III and IV of chapter 10 of the general statutes, to give the Office of State Ethics the ability to enforce the revolving door restrictions applying to former Gaming Policy Board members and directors of the Public Utilities Regulatory Authority, to increase the threshold for lobbyist registration to \$3,000, to add other agencies to the definition of quasi-public agencies, to change certain reporting dates, to exempt the Office

of State Ethics from certain fee requirements, and to make other changes to the codes of ethics.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]